

**Sustainable Energy Advisory Board (SEAB)
September 24, 2015
Special Meeting No. 1**

MINUTES

MEMBERS PRESENT:

Jason Anderson – Business Community
Jerry Butkiewicz – San Diego Gas & Electric
Jack Clark – Center for Sustainable Energy
Sean Karafin – At Large Member

Douglas Kot (Vice Chair) – Building Industry
Jay Powell – Environmental Advocate
Eddie Price – At Large Member Alternate #1
Eric Scheidlinger – At Large Alternate #2

MEMBERS ABSENT:

Julia Brown – At Large Member
Andrew McKercher – Labor Organization

John Bumgarner (Chair) – Solar Industry

I. Call to Order

Vice Chair Doug Kot called the meeting to order at 10:00 A.M.

II. Introductions

None

III. Approve Agenda Items

None

IV. Announcements

None

V. Non-Agenda Public Comment

None

VI. SEAB Work Plan Update

The Vice-Chair, led a brief discussion of the Board's Work Plan, with the general consensus of the Board members being that a detailed discussion of the Plan would be tabled for this meeting and brought forward as an action item at the next regularly scheduled SEAB meeting in October.

VII. CAP Update

Doug Kot started the CAP update discussion by noting that both a draft letter prepared by the CAP Working Group and additional comments prepared by Jay Powell were circulated in advance of the meeting, which will form this meeting's discussion. He also noted that the goal of this meeting was to finalize and approve a letter with comments on the draft CAP EIR to be submitted into the public record by the Sustainable Energy Advisory Board by September 29th.

Doug Kot asked for any public comment on the proposed letter and comments, there were none.

Jerry Butkiewicz asked how the vote would be reflected in the letter if there is not unanimous agreement of the Board members on the full content of the letter. Doug Kot stated that the vote of the Board members would be reflected in the letter.

Jay Powell commented that in addition to sending the comments to Rebecca Malone that it would be appropriate to also send a copy to the Mayor and City Council. He also expressed concern that it may

be reaching for the Board to endorse everything in the CAP as written, while the Board focus is really on the energy elements of the CAP.

Jason Anderson asked if the Board's intent is to include comments on CAP items, including jobs, that don't necessarily fall within the purview of the Board, or should the comments focus on energy?

Jay Powell commented that green jobs and economics are something that should be included within the context of this discussion, as the Board has already spent much time discussing these topics.

There was discussion as to how proceed through the comments. The general consensus was to take each item one at a time for discussion. It was agreed that the letter should be addressed to Rebecca Malone, with copies also sent to the Mayor and City Council. The Board also agreed that a statement regarding the vote should be included. Doug Kot and Jason Anderson also noted that there may need to be a qualifying statement added noting the scope of the comments.

The Sustainable Energy Advisory Board had extensive discussions for each item listed below, with the final changes and/or text noted by underlining:

Item 1 – In many cases, the action items in the plan simply state that a proposal will be presented to the City Council for consideration. Although, the SEAB intends to support and offer assistance however needed. We would like to work with City staff as the specific policies and ordinances are being developed. Further, we note that there is—and will be—a need to vertically integrate the CAP into current City policy and the development of the Community Plans that are underway. The success of the CAP will result from appropriate prioritization and budgeting. We are encouraged that the City is investing in the implementation of the CAP in advance of the formal adoption by Council.

Discussion: During discussion on this item, members noted that it is important to consider the fiscal impacts as well as the taxpayer and ratepayer implications in reducing GHG emissions. Also it was mentioned that societal and “equitability” impacts and benefits should be considered. After further discussion it was decided that the second to last sentence should be revised to read: The success of the CAP will result in appropriate ongoing prioritization and budgeting that considers each action for cost effective and equitable solutions to Green House Gas emission reductions.

Item 2 – Upon completion of the feasibility study, we propose that Action Item 2.1 be given higher priority and moved to Phase 1. We believe that it is both feasible and desirable to present a Community Choice Aggregation (CCA) or alternative plan to the City Council during Phase 1 and that doing so is critical for achieving the renewable energy goal.

Discussion: Several members shared concerns regarding the wording of this item. After much discussion of the intent, timing and outcome of CAP Action 2.1, the statement “We believe that it is both feasible and desirable to present a Community Choice Aggregation (CCA) or alternative plan to the City Council during Phase 1” will be replaced with “Should there be favorable results regarding the feasibility study of either Community Choice Aggregation (CCA) or an alternative plan, we propose that Action Item 2.1 be given higher priority and moved to Phase 1.”

Item 3 – Many highly energy efficient products and technologies are already available and ready for deployment. The City should examine its regulatory and incentive programs to determine whether there are opportunities to encourage adoption and speed deployment of approaches and technologies that can support the greenhouse gas reduction goals of the CAP with the support of the private sector.

Discussion: During discussion on this item it was noted that future technology and cost effectiveness should be included. There was also discussion regarding what regulatory and incentive programs the City has in place. The board decided to modify the wording so that the second sentence would read as follows: "The City should regularly examine its regulatory and incentive programs to determine whether there are cost-effective opportunities to encourage adoption and speed deployment of approaches and technologies that can support the GHG reduction goals of the CAP with the support of the private sector."

Item 4 – The state and federal regulatory environment is changing. The CAP was developed in response to AB 32 and ARB's subsequent Scoping Plan, SB 1078, SB 107, SB 2, AB 758, several executive orders and others. However, new rules have been published or are under consideration (EPA's Clean Energy Plan, published in August of 2015, SB 350, and SB 32 to name a few). There's a need to anticipate regulatory trends and to update the CAP as needed to stay current. Much of the local action identified within the CAP includes partnering with other regional agencies.

Discussion: After some discussion, the board decided to change the first sentence from "several executive orders and others" to several executive orders and other actions;" Also, the word "anticipate" in the second to last sentence was replaced with the word "monitor" and then moved to the end so that the item reads as follows:

"The state and federal regulatory environment is changing. The CAP was developed in response to AB 32 and the California Air Resources Board's (CARB) subsequent Scoping Plan, SB 1078, SB 107, SB 2, AB 758, several executive orders and other actions. However, new rules have been published or are under consideration (EPA's Clean Energy Plan, published in August of 2015, SB 350, and SB 32 to name a few). There's a need to monitor regulatory trends and to update the CAP as needed to stay current."

Item 5 – Page 20, Figure 2.2-San Diego's plan has been developed to achieve the targets set in a number of regulatory actions including, but not limited to AB 32, California's Global Warming Solutions Act, Executive Order B-30-15, and Executive Order S-3-05. Targets are set using a baseline of 2010. However, it is now near the end of 2015. The graph (Figure 2.2) should be updated to show what San Diego's GHG's actually are now. Depending on which trajectory the City has been on since the 2010 baseline was established will determine if current actions will ensure compliance with the long-term goals.

Discussion: After Doug Kot read Item 5 the board discussed what this graph was describing, whether or not Page/Figure numbers needed to be included, if there was a need to update regularly, whether or not it was specifically related to "energy," and the need to monitor progress of achieving the GHG reduction goals with respect to the 2010 baseline. It was also suggested that the CAP should accurately reflect the most current data available for locally generated renewable energy. Ultimately it was decided that the item should read as follows:

"Targets are set using a baseline of 2010; it is now near the end of 2015. Monitoring should be updated as part of an annual update to show the current state of San Diego's GHG emissions. Looking at which trajectory the City has been on since the 2010 baseline was established will help determine if current actions can ensure compliance with the long-term goals. Annual updates should also include the best available data on distributed generation and utility power acquisition mix."

Item 6 – Energy Efficiency in Commercial and Multifamily Buildings is critical to achieving San Diego’s climate goals. Including the AB 758 “Existing Buildings Energy Efficiency Action Plan” in the CAP is a step in the right direction to achieve energy efficiency in all buildings. However, Strategy 1: Water and Energy Efficient Buildings should include a commercial and multifamily energy efficiency goal and benchmarking and transparency ordinance to ensure the city is able to measure its progress towards cost-effective carbon reductions through building-level energy benchmarking, which is a recognized industry best practice.

Including a commercial and multifamily energy savings goal demonstrates that we as a city understand that all buildings must be included in our approach if we want to achieve our climate action targets. Previous barriers to whole-building data access needed for successful benchmarking are addressed in the recently passed Assembly Bill 802, currently awaiting the Governor’s signature. This legislation was passed with broad support from local governments, the Building Owner and Managers Association of California, the US Green Building Council California, the Efficiency Council, San Diego Gas & Electric, and other key industry stakeholders.

With the adoption of the AB 758 Action Plan and passage of AB 802, it is clear that commercial and multifamily buildings in San Diego will be compelled to benchmark and publicly report building energy use information in the coming years.

These state level legislative directives only add to the rising need for CAP to outline a local ordinance for commercial energy transparency and goals that best fits the unique needs of San Diego, while also meeting statewide energy efficiency goals. This is an opportunity for San Diego to show its leadership on climate issues and benefit from resources for local governments to meet these targets. Aligned local action will ensure that this legislation will be done in the best interest of San Diego stakeholders.

Discussion: There was some discussion regarding whether commercial and multi-family benchmarking should be added back into the CAP. There was also discussion as to whether or not the GHG reduction should be attributed to State or to local action. Ultimately it was decided to include this item as written with no changes.

Item 7 – Social Equity and Job Creation section needs significant development. Table 4.2, page 48, contains only a few job categories. Climate action and a "green economy" actually provides jobs at all levels. The section of CAP dealing with social equity and job creation should include a more complete description of the full spectrum of opportunities and commitment to local equitable growth. According to the Bureau of Labor statistics, jobs in research and development, manufacturing and distribution, installation and maintenance of products or services in any of the following categories could be considered "green jobs:"

- Energy from renewable sources-electricity, heat, or fuel generated from wind, biomass, solar, ocean, hydropower, biomass, landfill gas and municipal solid waste.
- Products and services that improve energy efficiency such as energy efficient equipment, appliances, buildings and vehicles as well as products and services that improve the energy efficiency of buildings and efficiency of energy storage and distribution such as smart grid technologies. Cogeneration is included in this category.

- Products that reduce or eliminate the creation or release of pollutants or toxic compounds, remove pollutants or hazardous waste from the environment; reduce greenhouse gas emissions; reduce or eliminate creation of waste materials, collect, reuse, remanufacture, recycle or compost waste materials or wastewater.
- Natural resource conservation, including products and services related to organic agriculture and sustainable forestry, land management, soil water or wildlife conservation, and storm water management.
- Environmental compliance, education and training and public awareness-products and services that enforce environmental regulations, provide education and training related to green technologies and practices or increase public awareness of environmental issues.

The CAP establishes the requirements for future policy in regard to greenhouse gas emissions targets. Additionally, we request the CAP to clearly identify the methods, used to calculate green jobs and include numeric commitment targets for these jobs and economic development over the life of the plan. Monitoring and enforcement of the economic development actual-to-potential metrics should be included in regular updates to the Mayor, City Council, and the community.

Discussion: During discussion on this item, there were extensive comments regarding social equity, job creation, who pays for the cost of implementation, the need to improve the language in the section dealing with social equity and job creation, and to broaden this section to discuss the green economy. It was also suggested that there should be specifics related to jobs in the green energy industry as well as citing the Board's actions regarding Net Energy Metering. Ultimately, it was decided that this item should read as follows:

Moving forward, the City should adopt a broader definition of the green economy for the CAP that includes a more complete description of the full spectrum of opportunities and commitment to local equitable growth. In addition, there is a need to ensure committed equity in allocation of resources so that communities of concern are able to participate and realize benefits of energy efficiency, renewable energy installations, urban forestry, public health benefits, and job creation, without carrying undue burden of cost.

Once methods for assessing job creation are agreed, targets should be set and progress tracked for each community planning area. According to the Bureau of Labor statistics, jobs in research and development, manufacturing and distribution, installation, and maintenance of products or services in any of the following categories could be considered "green jobs:"

- Energy from renewable sources – electricity, heat, or fuel generated from wind, biomass, solar, ocean, hydropower, biomass, landfill gas, and municipal solid waste;
- Products and services that improve energy efficiency such as energy efficient equipment, appliances, buildings and vehicles, as well as products and services that improve the energy efficiency of buildings and efficiency of energy storage and distribution such as smart grid technologies. Cogeneration is included in this category;
- Products that reduce or eliminate the creation or release of pollutants or toxic compounds, remove pollutants or hazardous waste from the environment, reduce greenhouse gas emissions, reduce or eliminate creation of waste materials, or collect, reuse, remanufacture, recycle, or compost waste materials or wastewater;

- Natural resource conservation, including products and services related to organic agriculture and sustainable forestry, land management, soil water or wildlife conservation, and stormwater management; and
- Environmental compliance, education and training, and public awareness-products and services that enforce environmental regulations, provide education and training related to green technologies and practices, or increase public awareness of environmental issues.

The CAP establishes the requirements for future policy with regard to greenhouse gas emissions targets. We request that the City clearly identify the methods, metrics, and milestones for green jobs and include numeric commitment targets for these jobs and economic development over the life of the plan. Monitoring and enforcing the economic development metrics and milestones should be included in regular updates to the Mayor, City Council, and the community.

Item 8 – We encourage the Mayor and City Council to provide separate budget lines for CAP as part of the budgeting cycle for each department. Regular updates should be done to assure that policy goals are on track and that implementation is being accomplished in the most cost-effective way. The Sustainability Program Manager should have adequate resources and be empowered to move forward with budgeted items. Once methods for assessing job creation are agreed, targets should be set and progress tracked for each community planning area. There is a need to assure committed equity in allocation of resources so that communities of concern are able to participate and realize benefits of energy efficiency, renewable energy installations, urban forestry, public health benefits and job creation.

Discussion: There was a recommendation that the content of the last 2 sentences in Item #8 be moved to the first paragraph of Item #7, so that this item now will read as follows:

We encourage the Mayor and City Council to provide separate budget lines for the CAP as part of the budgeting cycle for each department. Regular updates should be made to assure that policy goals are on track and that implementation is being accomplished in the most cost-effective way. The Sustainability Program Manager should have adequate resources and be empowered to move forward with budgeted items.

Item 9 – Adaptation to effects of climate change that can no longer be avoided. The CAP acknowledges that a comprehensive plan for adaptation to the unavoidable effects of climate change should be developed. We agree with this priority. It should include public health issues, biodiversity, coastal resources, water, agriculture, forestry, transportation and energy.

- An Urban tree planting program is the only specific tactic mentioned in CAP for adaptation to unavoidable climate change effects. SEAB is supportive of this goal.

Discussion: There was a brief discussion regarding this item, with members noting that the Board's comments should provide an energy focus. Given that, it was agreed the bullet regarding urban tree planting should read as follows:

An urban tree planting program is the only specific tactic mentioned in the CAP for adaptation to unavoidable climate change effects – the SEAB is supportive of this goal. Appropriate installation of the urban forestry measures proposed as adaptation measures needs to include safeguards that do not interfere with the potential for rooftop and parking lot solar energy installation. Installation

guidelines need to be coordinated to achieve the maximum benefits of each measure – shade, carbon absorption, and electric generation. PV installations, by creating shade, can significantly reduce heating loads on buildings and parking areas as well as contribute to the charging infrastructure for expansion of electric vehicles.

Jay Powell commented on the executive summary section regarding the significant impact of land use from installation of large scale renewable energy. He stated that this should be addressed and considered, noting that there is way to prioritize land use to avoid these impacts. The Board agreed that the following "Item 10" should be added to the letter:

10. Significant Impacts and Mitigation. The Executive Summary section, Table ES-1 identifies a potential significant impact in "A. Land Use" from installation of large-scale renewable energy projects. The mitigations proposed includes siting guidelines. For (H) Water supply, Table ES-1 recommends a Water Supply Assessment to ensure that large scale renewable energy projects do not use excessive amounts of water.

The PEIR should note that the emphasis for renewable energy generation should be on technologies that use little or no water and are smaller scale, distributed systems and/or technologies such as photovoltaic panels located on rooftops, parking lots and other developed structures as the preferred, highest priority strategy to achieve renewable energy goals. This will help avoid the impacts of siting facilities on undeveloped land that may create significant visual and other adverse impacts, including adversely affecting the goal of generating local food sources and providing parks and open space areas.

After the discussion was concluded, the following actions were taken:

Sean Karafin motioned, seconded by Eric Scheidlinger, to adopt the letter incorporating the changes discussed today and clarify in the fourth paragraph "that although we agree with priority being placed on these strategies and associated key action items we offer the following suggestions for your consideration through implementation and for later adopting supporting policies."

Jay Powell offered an amendment to the original motion, which was not accepted by Sean Karafin. No vote was taken on the first motion.

Jay Powell then moved for a substitute motion, seconded by Jason Anderson, that the letter be submitted with the comments for the draft EIR to reflect the conversation and edits in today's session including changes to paragraph four which read "Although we agree with the priority replacement strategies associated with key action items we offer the following comments and additional considerations for implementation and development of supporting policies. Motion passed 5-2 Anderson, Clark, Kot, Powell, Price, Scheidlinger / Butkiewicz, Karafin.

VIII. Adjourn

Doug Kot adjourned the meeting at 12:24 P.M.